

## WAGE ACKNOWLEDGEMENT REGARDING "TIP CREDIT"

The club and entertainer agree that the relationship between them is of an independent contractor/space use nature. Both club and entertainer acknowledge that if the relationship between them was that of employer and employee, the Club would be entitled to collect and retain all Entertainment Fees paid by customers to Entertainer.

**ENTERTAINER SPECIFICALLY ACKNOWLEDGES THAT IN THE CIRCUMSTANCE OF AN EMPLOYER/EMPLOYEE RELATIONSHIP, ALL ENTERTAINMENT FEES WOULD BE THE PROPERTY OF THE CLUB AND NOT OF ENTERTAINER.**

Under such an employment relationship, Entertainer would be paid on an hourly basis at a rate equal to the Applicable minimum wage, reduced by any maximum "tip credit" as may be allowed by law. Regarding this "tip credit", under the Federal law pursuant to USCS Section 203(m), an employer may reduce minimum wage payments down to as low as \$2.13 an hour as long as the tips of the employee bring the hourly income of the individual up to at least the full minimum wage rate. Any applicable state wage laws may contain a similar "tip credit" provision. Entertainer would also be paid a commission fee of 50% on the price of all non-specialty dances performed, after ten dances. All of these payments would be subject to all federal, state, and local tax withholding requirements. Entertainer would further be entitled to retain "tips" and/or gratuities, but not entertainment Fees—that she may collect while performing on the premises, although the Club may, depending on the applicable law, be permitted to require Entertainer to share a portion of her tips with other tipped employees.

THE PARTIES ACKNOWLEDGE THAT ENTERTAINER'S RIGHT TO OBTAIN AND KEEP ENTERTAINMENT FEES PURSUANT TO THIS AGREEMENT IS SPECIFICALLY CONDITIONED UPON THE BUSINESS PARTIES BEING THAT OF FOR SPACE USAGE AS AN INDEPENDENT CONTRACTOR.

The parties additionally acknowledge that were the relationship between them to be that of employer-employee, Entertainer's employment would be "at will" (meaning Entertainer could be fired at any time without cause and without prior notice of warning), and that the Club would be entitled to control Entertainer's work: work schedule and the hours of work; job responsibilities; physical presentation (such as make-up, hairstyle, etc...); costumes and other wearing apparel; music; work habits; the selection of her customers; the nature, content, character, manner and means of her performances; and her ability to perform at other locations and for other businesses. Entertainer hereby represents that she desires to be able to make the choices of all of these matters herself and without the control of the Club, and the Club and Entertainer agree by the terms of this Lease that all such decisions are exclusively reserved to the control of Entertainer.

ENTERTAINER FURTHER SPECIFICALLY REPRESENTS THAT SHE DOES NOT DESIRE TO PERFORM AS AN EMPLOYEE OF THE CLUB SUBJECT TO THE EMPLOYMENT TERMS AND CONSTITUTIONS OUTLINED ABOVE. BUT RATHER, DESIRES TO PERFORM UNDER A SPACE USAGE AGREEMENT AS AN INDEPENDENT CONTRACTOR

This Wage acknowledgment is hereby deemed an addendum to and part of the agreement of the undersigned entertainer and Club as if it were executed with the original agreement.

\_\_\_\_\_  
Entertainer (legal name signature above)

Print Name \_\_\_\_\_

Print Stage Name: \_\_\_\_\_

\_\_\_\_\_  
Club

Date: \_\_\_\_\_